



April 19, 2000

The Honorable Steve Peace, Chair
Joint Legislative Budget Committee
State Capitol, Room 3060
Sacramento, CA 95814

Dear Senator Peace:

Pursuant to Government Code Section 14669 (c), I am pleased to report to the Legislature that the Department of General Services has entered into one real property lease during calendar year 1999. The lease involves office space and contains an option to purchase as follows:

- Employment Development Department (EDD) – A lease dated October 14, 1999, was entered into to replace an existing sub-standard building at 1520 San Fernando Road in San Fernando. This property has also been sold to a commercial enterprise who wants to use the facility when the state lease expires in August, 2000. The new lease contains approximately 19,102 net usable square feet of office space and 142 surface parking spaces in a facility to be constructed at 11623 Glenoaks Boulevard in Pacoima, City of Los Angeles. The lease term is for 25 years commencing July 1, 2000, and may be terminated by the state at any time effective on or after June 30, 2015. The monthly rent for the first five years is \$52,025.

The state has an option to purchase the entire facility at any time after July 1, 2012, at a starting price of \$7,842,222, with uncompounded increases of approximately four percent per year throughout the remaining term.

If you have any questions, please contact Lane Richmond, Chief, Real Estate Services Section, Professional Services Branch, Real Estate Services Division, Department of General Services, at 916-323-6566.

Sincerely,

CLIFF ALLENBY, Interim Director
Department of General Services

CA:sl/Report to JLBC-GC14669 (c)

cc: See Attached Distribution List
Mike Courtney, Acting Deputy Director, Real Estate Services Division, Department of General Services
Jack Barr, Chief, Professional Services Branch, Real Estate Services Division, Department of General Services
Lane Richmond, Chief, Real Estate Services Section, Professional Services Branch, Real Estate Services Division, Department of General Services

DISTRIBUTION #4
LEGISLATIVE REPORT LISTING

ORIGINAL LETTER TO EACH OF THE FOLLOWING:

The Honorable Steve Peace, Chair
Joint Legislative Budget Committee
State Capitol, Room 3060
Sacramento, CA 95814
(1 original + 17 copies)

The Honorable Patrick Johnston, Chair
Senate Appropriations Committee
State Capitol, Room 5066
Sacramento, CA 95814
(1 original)

The Honorable Carole Migden, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814
(1 original + 2 copies)

Ms. Elizabeth G. Hill
Legislative Analyst
925 L Street, Suite 1000, B-29
Sacramento, CA 95814
(1 original)

COPY OF JLBC LETTER TO EACH OF THE FOLLOWING:

The Honorable Denise Moreno Ducheny, Vice Chair
Joint Legislative Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814
(1 copy)

The Honorable Tim Leslie, Vice Chair
Senate Appropriations Committee
State Capitol, Room 4081
Sacramento, CA 95814
(1 copy)

The Honorable Bill Campbell, Vice Chair
Assembly Appropriations Committee
State Capitol, Room 6031
Sacramento, CA 95814
(1 copy)

Michael J. Gotch, Legislative Secretary
Office of the Governor
State Capitol, First Floor, E-15
Sacramento, CA 95814
(1 copy)

Happy Chastain, Deputy Secretary-Legislation
State and Consumer Services Agency
915 Capitol Mall, Room 200, C-14
Sacramento, CA 95814
(1 copy)

Cal Smith, Program Budget Manager
Department of Finance
915 L Street, A-15
Sacramento, CA 95814
(1 copy)

Fred Klass, Program Budget Manager
Department of Finance
915 L Street, A-15
Sacramento, CA 95814
(1 copy)

Karen L. Neuwald, Assistant Director-Legislation
Department of General Services
1325 J Street, Suite 1910, C-1
Sacramento, CA 95814
(1 copy)

Cec Wallin, Budget and Planning Officer
Office of Fiscal Services
1325 J Street, Suite 1600, C-18
Sacramento, CA 95814
(1 copy)

California State Library
Government Publications Section
914 Capitol Mall, E-29
Sacramento, CA 95814
(2 copies)

Office of Legislative Counsel
Attention: Indexing Division
925 L Street, Suite 1150, B-30
Sacramento, CA 95814
(1 copy)

Originating Office

JLBC & APPROPRIATIONS COMMITTEES--REVISED 3/14/2000

